

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Neutral

BILL NUMBER: SB 1480
AUTHOR: Senate Governmental
Organization

BILL SUMMARY: Alcoholic beverages: tied-house restrictions

Current law provides as an exception to tied-house restrictions that a winegrower who deals in wine only may hold an ownership interest in any on-sale license, provided that the winegrower has entered into an "undertaking" approved by the Department of Alcoholic Beverage Control (ABC) not to sell or furnish his or her wine to the holder of the license for as long as the winegrower's ownership interest in the license continues, or to enter into any collusive scheme to unfairly sell or promote the wine of another winegrower in his or her retail businesses in return for the same treatment in the retail businesses of the other winegrower.

This bill would retain the requirement that the winegrower, or officer, director, or agent meet the specified conditions regarding the sale or furnishing of wine under the circumstances described above, but would eliminate the requirement that statements describing these conditions be made pursuant to an undertaking approved by ABC.

FISCAL SUMMARY

Finance estimates this bill would have no state general fund impact.

COMMENTS

Finance notes the following with regard to this bill:

- This bill would retain the specific tied house restrictions on conditions of the furnishing and sale of wine, while reducing administrative paperwork for both winegrowers and ABC.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	Code
0001/Major Rev	SO	No		-----	No/Minor Fiscal Impact	-----			0001
2100/Alcohol Bev	SO	No		-----	No/Minor Fiscal Impact	-----			3036

<u>Fund Code</u>	<u>Title</u>
0001	General Fund
3036	Alcohol Beverages Control Fund

Analyst/Principal (0762) C. Hill	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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